GOVERNMENT OF INDIA
SCIENCE AND TECHNOLOGY
LOK SABHA

UNSTARRED QUESTION NO:2695
ANSWERED ON:31.08.2007
POTENTIAL OF BIO TECH SECTOR
Vallabbhaneni Shri Balashowry

Will the Minister of SCIENCE AND TECHNOLOGY be pleased to state:

(a) whether the Bio-technology sector had shown lot of potential during the last one year;

(b) if so, the percentage of growth achieved during the above period; and

(c) the steps taken/being taken by the Government for further development of Bio- technology sector?

Answer

MINISTER OF SCIENCE & TECHNOLOGY AND MINISTER OF earth sciences (KAPIL SIBAL)

(a) & (b): Yes Sir, Biotechnology industry in 2006-2007 is estimated to have touched around Rs.8,500.00 crore (over $2 billion) in revenues, registering a 30 percent growth, over the previous year's (2005-2006) estimated revenues of Rs.6,500.00 crore.

(c): The Government has taken special measures to promote the biotechnology industry and to facilitate increase in turnover of biotech sector. Initiatives have been taken to provide an enabling environment for industrial growth such as streamlining regulatory procedures; exemption of biotech sector from compulsory licensing; permitting 100% FDI; reducing the area of SEZ to bring it at par with IT sector; providing fiscal incentives to recognise in-house R&D of industries in terms of exemption of custom duty on capital goods, reduction in import duty and 150% weighted deduction against expenditure incurred on R&D.

To encourage public-private partnerships for joint R&D and technology development, Ministry of Science and Technology is implementing schemes through Technology Development Board (TDB) and Pharmaceutical Research and Development Support Fund (PRDSF) under Department of Science & Technology (DST) as well as New Millennium Indian Technology Leadership Initiative (NMITLI) scheme under Council for Scientific and Industrial Research (CSIR). To further accelerate industrial R&D in biotechnology, recently, the Department of Biotechnology has also launched a novel public-private scheme "Small Business Innovative Research Initiative" for providing grant and soft loan to small and medium biotech industries for strengthening R&D and product development even at pre-proof-of concept and post-proof-of concept stage.